

**BEFORE THE**  
**Federal Communications Commission**  
**WASHINGTON, D.C.**

In the Matter of	)	
	)	
Reporting Requirements for U.S. Providers of	)	IB Docket No. 04-112
International Telecommunications Services	)	
	)	
Amendment of Part 43 of the Commission's Rules	)	

**COMMENTS OF SPRINT CORPORATION**

Sprint Corporation ("Sprint"), by its attorneys, hereby submits its comments in the above-captioned proceeding. Sprint takes this opportunity to commend the Commission and its staff on their continuing efforts to review, revise and streamline the reporting requirements, and to eliminate obsolete and unnecessary requirements, for U.S. carriers regarding their international services. Sprint offers herein its views on the proposals contained in the Notice of Proposed Rulemaking which commenced this proceeding,<sup>1</sup> and makes additional proposals which Sprint believes will further lessen the burden on U.S. carriers without compromising the Commission's ability to acquire the information necessary to meet its regulatory obligations.

**I. THE COMMISSION SHOULD BROADEN THE ELIMINATION OF UNNECESSARY REPORTING REQUIREMENTS FOR U.S. CARRIERS.**

Sprint supports the proposal to eliminate the obsolete, toll-division requirement of Section 43.53, the IMTS message number reporting requirement, and the requirement that carriers report the traffic between the continental United States and offshore U.S. points and

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<sup>1</sup> Reporting Requirements for U.S. Providers of International Telecommunications Services, IB Docket No. 04-112, FCC 04-70 (rel. Apr. 12, 2004) ("*Notice*").

between offshore U.S. points.<sup>2</sup> As the *Notice* points out, these provisions have out-lived their usefulness and no longer reflect current market realities. The Commission should extend its initiative with regard to the last requirement and eliminate all distinctions between offshore U.S. points and continental U.S. points. Separate reporting of traffic between each of the various offshore U.S. locations and foreign locations serves no discernible regulatory purpose and is burdensome for U.S. carriers to compile.

Sprint also supports the elimination of the separate Section 43.82 circuit-status reports. Sprint questions the need for any continued circuit reporting requirement in an area where the need for regulatory intervention has greatly diminished in recent years. Such an on-going requirement does not seem crucial to assist the Commission in its determinations for new cable facilities, for enforcement actions involving possible anti-competitive activity, or for mergers or acquisitions – relevant information can be required from the parties themselves in the proceedings that will address such developments. As for the determination of regulatory fees, the circuit-status report provides no check on the accuracy of the assessment of such fees, because the reporting and fee-paying carrier is the only source filing such information with the Commission. A simple fee filing statement of the number of 64 kbps circuits, rounded to the nearest 100, is sufficient to meet the purposes of the statute.<sup>3</sup> Sprint believes that there is no need to fashion a replacement for the eliminated Section 43.82 circuit-status report, but if such a substitute is to be implemented, it should be directed toward all parties possessing the data

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<sup>2</sup> *Id.* at ¶¶ 28, 29-31, 67.

<sup>3</sup> *See* 47 U.S.C. § 159(g). Sprint agrees with the Commission staff assessment that compressed circuits derived from 64 kbps circuits should not be subject to any reporting requirement. *Notice* at Appendix C, ¶ 43.

sought. Therefore, Sprint supports the application of any revised and streamlined circuit-status reporting requirement to non-common carriers.<sup>4</sup>

In response to the staff's request for comment on reporting of whole international circuits leased to foreign-authorized carriers that land in the United States,<sup>5</sup> Sprint believes that it should not be the responsibility of U.S. carriers providing only intercity and local termination services to report such circuits. Rather, the terminating international carrier should bear this responsibility, and the concomitant responsibility for acquiring Section 214 authorization for providing service in the United States, if such is required. Sprint has interconnection arrangements with foreign carriers that acquire international circuits that terminate at partitioned gateway switches operated by other U.S. carriers. Sprint routinely requires these foreign carriers to certify that they hold Section 214 authorization to provide international service in the United States. If the Commission decides that such authorization is not required of foreign-authorized carriers leasing such circuits for service to and from the United States, Sprint would not object to assigning the responsibility for circuit status reporting for such circuits to the U.S. carriers that operate the gateway switches where these circuits terminate.

Sprint also believes that the Commission should give strong consideration to elimination of the Section 43.61(b) quarterly reports for larger carriers. As the Commission notes in its discussion of the need for this requirement, shifts in traffic patterns are carefully monitored by U.S. carriers participating in the international markets for traffic termination.<sup>6</sup> Quarterly reports are submitted subject to requests for confidentiality, and thus provide information to

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<sup>4</sup> *See id.* at ¶ 60.

<sup>5</sup> *Id.* at Appendix C, ¶ 46.

<sup>6</sup> *Id.* at ¶ 54.

Commission staff only. They provide no information for use by market participants, either for market planning or for carrier-initiated enforcement of the Commission's pro-competitive international policies.<sup>7</sup> Sprint's understanding is that the quarterly reports play no role in the Commission's analysis of longer-term market trends, as the annual reports submitted pursuant to Section 43.61(a) provide the underlying data for these efforts.

If the Commission remains convinced that some form of interim reporting remains necessary as a competitive safeguard, Sprint suggests that the Section 43.61(b) requirement be changed from four quarterly reports to a single semi-annual report, followed by the annual 43.61(a) report. Assuming the adoption of the May 1 date for the annual report,<sup>8</sup> Sprint recommends a November 1 filing date for the semi-annual report, covering the months of January through June. This approach would substantially lessen the burdens on reporting carriers, while still providing an interim data flow to Commission staff.

## **II. THE COMMISSION SHOULD CLARIFY CERTAIN OF THE PROPOSED REVISIONS TO THE PART 43 REPORTING REQUIREMENTS.**

Sprint does not object to the proposed Schedule 1 summary report,<sup>9</sup> but requests the following clarification. As a holder of many Section 214 authorizations, Sprint suggests that carriers not be required to file the same list of such authorizations year after year, but instead be allowed to submit an initial list and provide subsequent annual updates cross-referencing earlier filings and showing additional and discontinued authorizations. Using this information, the Commission could create an easily accessible database showing general information on Section

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<sup>7</sup> *But see* International Bureau, Biennial Regulatory Review 2002, 18 FCCR 4196, 4231 (2002) (citing opposition of AT&T to arguments that § 43.61 reports should be eliminated).

<sup>8</sup> *Notice* at ¶¶ 46-49. Sprint does not oppose this change in filing dates.

<sup>9</sup> *Notice* at Appendix C, ¶¶ 11-13.

214 authorized carriers and the authorizations they hold. Such a database would be significantly more useful for market participants than the current level of accessibility to Section 214 information, while creating minimal burdens for reporting carriers.

With regard to electronic filing, Sprint supports the Commission's efforts to modernize the means by which Part 43 reports are filed. Sprint does not object to the use of a standardized computer spreadsheet program, but wishes to ensure that the filing process is efficient as possible. Specifically, the Commission should take steps to ensure that the on-line filing process is simple and expeditious, with minimal data entry necessary to complete the process, similar to the electronic filing process for comments and petitions. Carriers should be able to compile the required reports off-line using a standardized format and file the completed document through a short session with the Commission's electronic interface.

As for the reporting requirements, the Commission should clarify the content to be covered under the proposed Schedule 7, which addresses facilities-based miscellaneous services. There is currently substantial disparity among U.S. carriers in the manner in which this category is reported. For example, in 2002, Sprint reported approximately \$96 million in miscellaneous revenues, divided between packet switching and frame relay/ATM.<sup>10</sup> AT&T and MCI each reported approximately \$1.7 million in revenue for the same period, only listing packet switching.<sup>11</sup> Sprint notes that under the Commission's proposed \$5 million threshold for this category, had it been applied in 2002, AT&T and MCI would have filed no report at all for this category. Although Sprint understands the desire to have a means of reporting information on new international services, the combination of a relatively high threshold and the absence of

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<sup>10</sup> 2002 Annual Section 43.61 International Traffic Data for All U.S. Points: All Settlement Arrangements, Table C8: Sprint; Miscellaneous Services.

<sup>11</sup> *Id.* at Tables C3 and C11.

clear criteria for what should be reported undermines the utility of such reporting. The Commission should provide such criteria and eliminate or reduce the threshold if it is to retain this reporting category.

### **III. CONCLUSION**

For the reasons given above, Sprint respectfully requests that the Commission adopt the proposals and make the clarifications explained in the foregoing.

Respectfully submitted,

SPRINT CORPORATION



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